24. The method of claim 14 wherein determining that the transaction amount data is not in a set of set of transaction amount data that would prohibit the generation of the substitute draft is performed prior to receiving the retrieval request.

25. The method of claim 15 wherein determining that the card user data is not in a set of set of card user data that would prohibit the generation of the substitute draft is performed prior to receiving the retrieval request.

26. (NEW) The system of claim 1 wherein signature data associated with the retrieval request is not stored at the system for processing transaction data.

27. (NEW) A system for processing transaction data comprising:

a substitute draft system receiving a retrieval request and generating a substitute draft in response to the retrieval request;

a merchant interface coupled to the substitute draft system, the merchant interface generating a merchant request in response to the retrieval request; and

wherein signature data associated with the retrieval request is not used to generate the substitute draft.

REMARKS

Claims 1, 2, 4-7, 11-19, and 21-27 are pending. In an office action mailed October 18, 2002 (paper no. 5), claims 1, 2, 4-7, 11-19 and 21-25 were rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent 5,479,530 granted to Nair et al. (hereinafter "*Nair*"). This rejection is respectfully traversed.

Nair fails to provide a basis for rejection of claims 1, 2, 4-7, 11-19, and 21-25 under 35 U.S.C. 102(b), because it fails to disclose each element of the claimed invention. Claim 1 includes "a substitute draft system operable to receive a retrieval request and to generate a substitute draft in response to the retrieval request." The cited section of *Nair* for this element, col. 68, lines 9 through 28, discloses "a receipt file stored in data storage 64 to be searched . . . to locate a data item corresponding to the transaction in question. . . . the cardholder's signature is

reproduced along with the other transaction data." It is clear from the cited section that what is being produced is a copy of the actual receipt, including the cardholder signature, and not a substitute draft. This actual receipt eliminates the need to generate a merchant request.

Claim 1 further includes "a merchant interface coupled to the substitute draft system, the merchant interface operable to generate a merchant request in response to the retrieval request." Again, the cited section of *Nair*, col. 67, lines 62-63, discloses that no such merchant request is generated in response to a retrieval request. "Transaction processors using the present invention can respond to retrieval requests on behalf of their customers (e.g., merchants) quickly and efficiently since all data is stored in the transaction processor's host computer." Thus, *Nair* provides a copy of the signed sales draft that is stored locally at the transaction processor, and does not request a copy from the merchant in response to a retrieval request. Using the system of *Nair*, every single sales draft must be imaged and stored by the transaction processor, whereas the present invention avoids the need for such imaging.

Claim 1 also includes "a mediation charge system coupled to the merchant interface, the mediation charge system operable to receive a mediation charge and to generate a merchant mediation charge if no response has been received to the merchant request." Again, the cited sections of *Nair* disclose no such mediation charge system, and teaches away from the need for a mediation charge system by providing all sales drafts directly from the payment processor and not requesting the sales draft from the merchant.

Claim 11 includes "generating the substitute draft if it is determined that a retrieval request code is not in a set of retrieval requests codes that would prohibit the generation of the substitute draft." This element is missing entirely from *Nair*. In fact the phrase "substitute draft" is used nowhere in *Nair*, nor is there any synonymous term that is used in *Nair*, because the system of *Nair* avoids the need for generating substitute drafts by storing images of every single sales draft at the transaction processor. Applicants have read every single cited section referred to as support for the contention that *Nair* discloses this element, and summarizes each of these sections below to demonstrate how the cited sections fail to disclose this element:

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- Figure 33 – describes process of searching database at transaction processor for image of sales draft, including cardholder's signature.

- col. 2, lines 1-15 – broad and general description of credit card transaction processing.

- col. 4, lines 18-28 – broad and general definition of a chargeback.

- col. 5 line 48 through col. 6 line 38 – broad and general description of the problems presented by the prior art, namely, the alleged need to store "voluminous paper records of transactions for many years." (In fact, no such need exists, as card holders must challenge transactions within several months of receiving their credit card statement).

- col. 17 line 10 through col. 19 line 24 – starts with broad and general definitions of terms "transaction processor," "card issuing association," "card issuer," "settlement." "clearing," "authorization indicia," "referral," "call me," "audio response unit," and "retrieval request," followed by a general and broad description of transaction processing a la Figure 1. (It is important to note that the definition of a "retrieval request" states that a "hard copy of documentation associated with a given transaction" is required, and does not mention the generation of a substitute draft in response to the retrieval request.)

- col. 46, lines 46-49 – describes transaction parameters at the point of sale terminal that are controlled by the transaction processor – this occurs long before a retrieval request would be generated.

- col. 50, lines 28-35 – describes transaction authorization – this occurs long before a retrieval request would be generated.

- col. 68, lines 9-28 – finally, a description of a retrieval request event, but instead of generating a substitute draft and a merchant request, *Nair* discloses retrieving the cardholder's signature from a database and generating a sales draft instead of a substitute draft.

It is evident from this review that none of the cited sections bear on generation of a substitute draft, and instead deal only generally with the transaction authorization process or generation of

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a sales draft by storing each and every signature for each and every transaction in a database at the transaction processor.

Claim 16 includes "a transaction system coupled to the bank card system, the transaction system operable to receive the retrieval request from the bank card system and to generate a substitute draft and a merchant request in response to the retrieval request, the transaction system is operable to assess a mediation charge against the merchant system if the merchant system has not generated sales draft data in response to the merchant request; and a merchant system coupled to the merchant interface, the merchant system operable to receive the merchant request and to generate sales draft data in response to the merchant request." Again, the numerous cited sections of *Nair* deal only generally with the credit card transaction process, and do not disclose anything other than the process of storing an image of every single signature for every single transaction at the transaction processor instead of generating a substitute draft and a merchant request, and a merchant system that generates sales draft data in response to the merchant request. In other words, the system of *Nair* discloses that the merchant system generates sales draft data *for every single transaction*, and that the sales draft data is stored at the transaction processor *for every single transaction*, just in case a retrieval request should be needed for that transaction. While the system of *Nair* is one way to approach retrieval request processing, it fails to disclose the elements of claims 1, 2, 4-7, 11-19, and 21-25, and in fact teaches away from any combination with other prior art on account of the fact that it requires storing an image of the customer's signature *for every single transaction*. Withdrawal of the rejection of claims 1, 2, 4-7, 11-19, and 21-25 is therefore respectfully requested. In addition, new claims 26 and 27 are presented for examination, and are believed to be distinguishable over the prior art.

CONCLUSION

In view of the foregoing remarks and for various other reasons readily apparent, Applicants submit that all of the claims now present are allowable, and withdrawal of the rejections and a Notice of Allowance are courteously solicited.
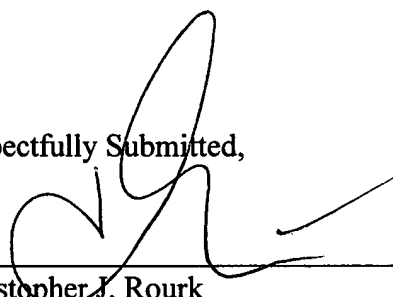
If any impediment to the allowance of the claims remains after consideration of this amendment, and such impediment could be alleviated during a telephone interview, the

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Examiner is invited to telephone the undersigned at (214) 969-4669 so that such issues may be resolved as expeditiously as possible.

A check for one additional independent claim and two additional total claims in the amount of $102.00 is provided herewith. No fee has been included for an extension due to the extended time allowed when a deadline falls on a weekend, further extended by the Patent Office being closed on the following Monday for a holiday. If any applicable fee or refund has been overlooked, the Commissioner is hereby authorized to charge any fee or credit any refund to the deposit account of Akin, Gump, Strauss, Hauer & Feld, L.L.P., No. 01-0657.

Respectfully Submitted,

Date: __January 21, 2003__

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CLAIMS AS AMENDED AND SHOWING CHANGES MADE

26.   (NEW) The system of claim 1 wherein signature data associated with the retrieval request is not stored at the system for processing transaction data.

27.   (NEW) A system for processing transaction data comprising:

a substitute draft system receiving a retrieval request and generating a substitute draft in response to the retrieval request;

a merchant interface coupled to the substitute draft system, the merchant interface generating a merchant request in response to the retrieval request; and

wherein signature data associated with the retrieval request is not used to generate the substitute draft.

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